



Christianna Wood
Investment Office
P.O. Box 2749
Sacramento, CA 95812-2749
Telecommunications Device for the Deaf - (916) 795-3240
Telephone: (916) 795-0209; Facsimile: (916) 795-2842

June 2, 2006

via overnight mail

Mr. Wang Mingcai
Executive Chairman
CNPC (Hong Kong) Ltd.
39/F Room 3907-3910,
118 Connaught Road West
Hong Kong, China

Dear Mr. Mingcai:

On April 14, 2006, I wrote to you requesting a written response by May 12, 2006 to questions pertaining to CNPC (Hong Kong) being identified as doing business in Sudan. To date, we have not received your response. Therefore, I am writing to you for a second time on behalf of the California Public Employees' Retirement System (CalPERS), owner of 8,270,000 shares of your company, in an effort to obtain information necessary for the fulfillment of our fiduciary responsibilities.

CNPC (Hong Kong) has been identified by various sources as doing business in Sudan. In recent months, it has been suggested that companies that do business in Sudan may thereby be furthering or condoning the nation's support for terrorism or the egregious human rights violations currently occurring in that country. CalPERS is deeply concerned that any possible connection between your company and the terrorist activities or the violation of humanitarian rights taking place in Sudan may negatively affect your business and our investment in CNPC (Hong Kong). We believe that any association with the atrocities taking place in Sudan by CNPC (Hong Kong) poses a serious risk to your ability to create sustainable and responsible long-term value.

In several states, legislation has been introduced or is being publicly discussed that will have an impact upon investments in companies doing business in or with Sudan. The California State Legislature is currently reviewing an assembly bill that would prohibit the Public Employees' Retirement System (CalPERS) and the California State Teachers' Retirement System (CalSTRS) from investing in a company with active business operations in Sudan. This bill is in addition to a legislative resolution that passed in 2005 that encourages the California Public Employees' Retirement System and the California State Teachers' Retirement System to encourage companies in which they invest to act responsibly and not take actions that promote or otherwise

California Public Employees' Retirement System
Lincoln Plaza East - 400 Q Street, Suite E4800 - Sacramento, CA 95814

enable human rights violations in the Sudan. The Illinois State Legislature was the first to pass legislation prohibiting investments in "forbidden entities" doing business in or with the government of Sudan. Other states have followed Illinois' example and passed Sudan divestment legislation such as New Jersey, Oregon, Maine and Connecticut.

In addition, Sudan is not only designated as a terrorist sponsoring country by the United States government, but is also embroiled in domestic conflicts in which the United Nations Commission of Inquiry on Darfur established that the Sudanese government and militias are responsible for serious violations of international human rights and humanitarian law amounting to crimes under international law. As a shareowner, we are troubled that our investments may be injured by the perception that companies that do business in Sudan may be furthering or condoning the egregious human rights violations currently occurring there.

Since your company has been identified as doing business in Sudan, we feel compelled to seek the information directly from you. Therefore, CalPERS is requesting full disclosure of your direct or indirect business activities in Sudan so that we, as fiduciaries, can accurately assess the risk associated with your activities there and make informed investment decisions.

We request that you answer the following questions:

- (1) Does CNPC (Hong Kong), a subsidiary of CNPC (Hong Kong), or joint venture thereof ("Affiliated Business Entity") engage in any direct or indirect business activity in Sudan? If yes, identify the name and nature of such business and how long has such business been taking place?
- (2) What portion of CNPC (Hong Kong) or any Affiliated Business Entity's current revenue stream is from any direct or indirect business activity in Sudan, and what portion of the company's or Affiliated Business Entity's total assets were used to earn said revenue?
- (3) Has CNPC (Hong Kong) or any Affiliated Business Entity made a capital investment in Sudan?
- (4) Has any CNPC (Hong Kong) or Affiliated Business Entity entered into any licensing agreement with the Sudan government in order to engage in current or future business activities?
- (5) Is CNPC (Hong Kong) or Affiliated Business Entity doing any business with a corporation that is owned by the Sudan government?
- (6) How many CNPC (Hong Kong) or Affiliated Business Entity employees are in Sudan?
- (7) What fees and/or taxes do CNPC (Hong Kong) and/or any Affiliated Business Entity pay to the Sudan government and what are the fees and/or taxes for?
- (8) Has your company adopted and implemented policies and procedures for operating in Sudan?
- (9) Has CNPC (Hong Kong) or any Affiliated Business Entity done anything to promote and/or protect human rights from the atrocities taking place in Sudan?

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June 2, 2006
Mr. Wang Mingcai

We are requesting a written response to our requests by June 23, 2006. Please send the written response to:

Dennis Johnson
Senior Portfolio Manager
California Public Employees' Retirement System
Lincoln Plaza East
400 Q Street, Suite E4800
Sacramento, CA 95814

Please contact Dennis Johnson at (916) 795-2731 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to be 'C. Wood', with a large loop at the end.

Christianna Wood
Senior Investment Officer

CC: CNPC (Hong Kong) Board of Directors



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June 2, 2006

via overnight mail

Mr. Shri Mukesh Ambani
Chairman
Reliance Industries Limited
Makers Chambers - IV,
Nariman Point,
Mumbai 400 021.
India.

Dear Mr. Ambani:

On April 13, 2006, I along with Alan G. Hevesi, New York State Comptroller, and Howard G. Rifkin, Deputy Treasurer State of Connecticut, wrote to you requesting a written response by May 12, 2006 to questions pertaining to Reliance Industries being identified as doing business in Sudan. To date, we have not received your response. Therefore, I am writing to you for a second time on behalf of the California Public Employees' Retirement System (CalPERS), owner of 1,172,391 shares of your company, in an effort to obtain information necessary for the fulfillment of our fiduciary responsibilities.

Reliance Industries has been identified by various sources as doing business in Sudan. In recent months, it has been suggested that companies that do business in Sudan may thereby be furthering or condoning the nation's support for terrorism or the egregious human rights violations currently occurring in that country. CalPERS is deeply concerned that any possible connection between your company and the terrorist activities or the violation of humanitarian rights taking place in Sudan may negatively affect your business and our investment in Reliance Industries. We believe that any association with the atrocities taking place in Sudan by Reliance Industries poses a serious risk to your ability to create sustainable and responsible long-term value.

In several states, legislation has been introduced or is being publicly discussed that will have an impact upon investments in companies doing business in or with Sudan. The California State Legislature is currently reviewing an assembly bill that would prohibit

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the Public Employees' Retirement System (CalPERS) and the California State Teachers' Retirement System (CalSTRS) from investing in a company with active business operations in Sudan. This bill is in addition to a legislative resolution that passed in 2005 that encourages the California Public Employees' Retirement System and the California State Teachers' Retirement System to encourage companies in which they invest to act responsibly and not take actions that promote or otherwise enable human rights violations in the Sudan. The Illinois State Legislature was the first to pass legislation prohibiting investments in "forbidden entities" doing business in or with the government of Sudan. Other states have followed Illinois' example and passed Sudan divestment legislation such as New Jersey, Oregon, Maine and Connecticut.

In addition, Sudan is not only designated as a terrorist sponsoring country by the United States government, but is also embroiled in domestic conflicts in which the United Nations Commission of Inquiry on Darfur established that the Sudanese government and militias are responsible for serious violations of international human rights and humanitarian law amounting to crimes under international law. As a shareowner, we are troubled that our investments may be injured by the perception that companies that do business in Sudan may be furthering or condoning the egregious human rights violations currently occurring there.

Since your company has been identified as doing business in Sudan, we feel compelled to seek the information directly from you. Therefore, CalPERS is requesting full disclosure of your direct or indirect business activities in Sudan so that we, as fiduciaries, can accurately assess the risk associated with your activities there and make informed investment decisions.

We request that you answer the following questions:

- (1) Does Reliance Industries, a subsidiary of Reliance Industries, or joint venture thereof ("Affiliated Business Entity") engage in any direct or indirect business activity in Sudan? If yes, identify the name and nature of such business and how long has such business been taking place?
- (2) What portion of Reliance Industries or any Affiliated Business Entity's current revenue stream is from any direct or indirect business activity in Sudan, and what portion of the company's or Affiliated Business Entity's total assets were used to earn said revenue?
- (3) Has Reliance Industries or any Affiliated Business Entity made a capital investment in Sudan?
- (4) Has any Reliance Industries or Affiliated Business Entity entered into any licensing agreement with the Sudan government in order to engage in current or future business activities?
- (5) Is Reliance Industries or Affiliated Business Entity doing any business with a corporation that is owned by the Sudan government?
- (6) How many Reliance Industries or Affiliated Business Entity employees are in Sudan?
- (7) What fees and/or taxes do Reliance Industries and/or any Affiliated Business Entity pay to the Sudan government and what are the fees and/or taxes for?

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Mr. Shri Mukesh Ambani

- (8) Has your company adopted and implemented policies and procedures for operating in Sudan?
- (9) Has Reliance Industries or any Affiliated Business Entity done anything to promote and/or protect human rights from the atrocities taking place in Sudan?

We are requesting a written response to our requests by June 23, 2006. Please send the written response to:

Dennis Johnson
Senior Portfolio Manager
California Public Employees' Retirement System
Lincoln Plaza East
400 Q Street, Suite E4800
Sacramento, CA 95814

Please contact Dennis Johnson at (916) 795-2731 if you have any questions.

Sincerely,



Christianna Wood
Senior Investment Officer

CC: Reliance Industries Board of Directors



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Investment Office

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June 2, 2006

via overnight mail

Mr. Mike McLaughlin
Rolls-Royce plc
PO Box 31
Derby DE24 8BJ
England

Dear Mr. McLaughlin:

Thank you for your written response of April 28, 2006 to CalPERS' letter of April 13, 2006 to Sir John Rose, Chief Executive Officer Rolls-Royce plc. While we recognize your effort to respond in writing by May 12, 2006, it was unfortunate not to have received a detailed response to our questions pertaining to Rolls-Royce plc doing business in Sudan.

I have duly noted that our letter has been passed to you. I have further noted that you will provide a more detailed response as soon as possible and would encourage you to do so since Rolls-Royce plc has been identified as doing business in Sudan and may be furthering or condoning the egregious human rights violations currently occurring there.

Consistent with our 13 April 2006 letter to Sir John Rose, we request that you answer the following questions:

- (1) Does Rolls-Royce, a subsidiary of Rolls-Royce, or joint venture thereof ("Affiliated Business Entity") engage in any direct or indirect business activity in Sudan? If yes, identify the name and nature of such business and how long has such business been taking place?
- (2) What portion of Rolls-Royce's or any Affiliated Business Entity's current revenue stream is from any direct or indirect business activity in Sudan, and what portion of the company's or Affiliated Business Entity's total assets were used to earn said revenue?
- (3) Has Rolls-Royce or any Affiliated Business Entity made a capital investment in Sudan?
- (4) Has any Rolls-Royce or Affiliated Business Entity entered into any licensing agreement with the Sudan government in order to engage in current or future business activities?

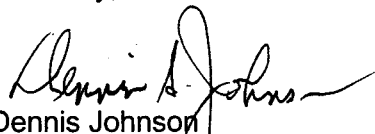
- (5) Is Rolls-Royce or Affiliated Business Entity doing any business with a corporation that is owned by the Sudan government?
- (6) How many Rolls-Royce or Affiliated Business Entity employees are in Sudan?
- (7) What fees and/or taxes do Rolls-Royce and/or any Affiliated Business Entity pay to the Sudan government and what are the fees and/or taxes for?
- (8) Has your company adopted and implemented policies and procedures for operating in Sudan?
- (9) Has Rolls-Royce or any Affiliated Business Entity done anything to promote and/or protect human rights from the atrocities taking place in Sudan?

Please send a written response to:

Dennis Johnson
Senior Portfolio Manager
California Public Employees' Retirement System
Lincoln Plaza East
400 Q Street, Suite E4800
Sacramento, CA 95814

Please contact me at (916) 795-2731 if you have any questions.

Sincerely,



Dennis Johnson
Senior Portfolio Manager – Corporate Governance

CC: Rolls-Royce Industries Board of Directors
Sir John Rose, Chief Executive Officer – Rolls-Royce plc
Christianna Wood, Senior Investment Officer – CalPERS